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**HERITAGE INTERNATIONAL HOLDINGS LIMITED**

**漢基控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 412)**

**DISCLOSEABLE TRANSACTION  
- ACQUISITION OF PROPERTY INTEREST**

The Board wishes to announce that on 19 April 2005, the Purchaser entered into the S&P Agreement with the Vendor, pursuant to which the Purchaser has agreed to purchase, and the Vendor has agreed to sell, the Sale Share for a cash consideration of HK\$22,000,000.00.

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules. A circular containing further particulars of the Acquisition will be despatched to the Shareholders as soon as possible in accordance with the requirements of the Listing Rules.

**S&P AGREEMENT**

**Date:**

19 April 2005

**Parties:**

1. China United International Holdings Limited, being the vendor. The Vendor is an investment holding company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are not connected with any of the directors, chief executive or substantial shareholder(s) of the Company or its subsidiaries or their respective associate(s) save that Mr. Frank H. Miu is an independent non-executive director of both the Vendor and the Company and as at the date of this announcement, the Company indirectly holds 196,190,163 shares of HK\$0.10 each in the capital of the Vendor, representing approximately 8.98% of the Vendor's existing issued share capital.
2. Charming Profit Investments Limited, a wholly-owned subsidiary of the Company, being the purchaser.

**Asset to be acquired:**

The entire issued share capital in Top Trinity.

Top Trinity is a company incorporated under the laws of the British Virgin Islands and is the beneficial owner of the entire issued share capital of Bestford. The principal business of Top Trinity is investment holding.

Bestford, a wholly-owned subsidiary of Top Trinity, is the registered owner of the Property. The Property occupies a total gross floor area of approximately 2,160 sq. ft. and is valued at approximately HK\$22,000,000.00 as at 12 March 2005 by Dudley Surveyors Limited, an independent property valuer appointed by the Company. Other than the Property, Bestford has no other assets or business.

The unaudited consolidated net asset value of Top Trinity excluding the Loan was approximately HK\$11,142,000.00 as at 31 December 2004. As at 31 December 2004, Top Trinity and Bestford had total liabilities of approximately HK\$39,394,000.00, comprising the Loan and other liabilities of approximately HK\$10,000.00. The Vendor has undertaken to waive the Loan upon Completion and warranted to the Purchaser that neither Top Trinity nor Bestford will have any outstanding borrowing or indebtedness as at Completion. Neither Top Trinity nor Bestford has generated any revenue for the two years ended 31 December 2004 and the unaudited consolidated net loss of Top Trinity (both before and after taxation and extraordinary items) for the two years ended 31 December 2003 and 2004 was approximately HK\$1,291,000.00 and HK\$862,000.00 respectively.

**Consideration:**

The aggregate consideration payable by the Purchaser to the Vendor for the acquisition of the Sale Share is HK\$22,000,000.00. A deposit of HK\$2,200,000.00 has been paid by the Purchaser to the Vendor upon signing of the S&P Agreement and the remaining balance of HK\$19,800,000.00 will be paid by the Purchaser to the Vendor on Completion. The Directors intend to fund the entire consideration by internal resources of the Group.

The consideration has been arrived at after arm's length negotiations between the Purchaser and the Vendor with reference to the unaudited consolidated net asset value of Top Trinity as at 31 December 2004 (excluding the Loan) and the value of the Property of approximately HK\$22,000,000.00 as at 12 March 2005.

**Completion:**

Subject to the fulfillment of the following conditions, Completion shall take place on 17 June 2005 or such other date as the Vendor and the Purchaser may agree in writing.

Completion shall be conditional upon:

- (a) the Purchaser being satisfied with its due diligence review of the legal and financial affairs of Top Trinity and Bestford;
- (b) the Vendor having shown and given a good title of Bestford to the Property; and
- (c) the representations and warranties made or given by the Vendor under the S&P Agreement remaining true and accurate in all respects and not misleading in any respect as at the Completion Date.

If any of the conditions precedent set out above is not fulfilled (or waived by the Purchaser) on or before the Completion Date, either party may rescind the S&P Agreement by giving written notice to the other party whereupon the S&P Agreement shall from such date have no further force and effect and the deposit shall be returned to the Purchaser within five business days from the Completion Date.

#### **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Company is an investment holding company and its subsidiaries are principally engaged in investment in casino services and gaming business, property related investments and investment in securities and money-lending businesses.

The Directors believe that the Acquisition can enhance the property portfolio and future earnings of the Company and thus is in the interests of the Company and its shareholders as a whole. Taking into account the value of the Property of approximately HK\$22,000,000.00 as at 12 March 2005, the Directors consider the terms of the Acquisition to be fair and reasonable and in the interests of the Shareholders as a whole.

#### **GENERAL**

The Acquisition constitutes a discloseable transaction for the Company under Rule 14.06 of the Listing Rules. A circular containing further particulars of the Acquisition will be despatched to the Shareholders as soon as possible in accordance with the requirements of the Listing Rules.

## DEFINITIONS

“Acquisition”	the acquisition of the Sale Share
“associate”	has the meaning ascribed thereto in the Listing Rules
“Bestford”	Bestford Properties Limited, a company incorporated in Hong Kong with limited liability and the registered owner of the Property
“Board”	the board of Directors
“Company”	Heritage International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Completion”	completion of the S&P Agreement
“Completion Date”	17 June 2005 or such other date as the Vendor and the Purchaser may agree in writing
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	shareholders’ loans of approximately HK\$39,384,000.00 owing by Bestford to its holding company(ies)
“Property”	Flat B on 22nd Floor together with a portion of Roof immediately thereabove and Car Park No.22 on Car Park Floor, Royalton, No.118 Pok Fu Lam Road, Hong Kong
“Purchaser”	Charming Profit Investments Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“S&P Agreement”	the sale and purchase agreement dated 19 April 2005 entered into between the Purchaser and the Vendor in relation to the sale and purchase of the Sale Share
“Sale Share”	1 share of US\$1.00 in the issued share capital of Top Trinity, representing the entire issued share capital of Top Trinity
“Shareholders”	the shareholders of the Company
“sq. ft.”	square feet
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Top Trinity”

Top Trinity Assets Limited, a company incorporated in the British Virgin Islands with limited liability and the beneficial owner of the entire issued share capital of Bestford

“Vendor”

China United International Holdings Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange. To the best of the knowledge, information and belief of the Directors, after having made all reasonable enquiries, the Vendor and its ultimate beneficial owners are not connected with any of the directors, chief executive or substantial shareholder(s) of the Company or its subsidiaries or their respective associate(s) save that Mr. Frank H. Miu is an independent non-executive director of both the Vendor and the Company and as at the date of this announcement, the Company indirectly holds 196,190,163 shares of HK\$0.10 each in the capital of the Vendor, representing approximately 8.98% of the Vendor’s existing issued share capital

By order of the Board  
**Kwong Kai Sing, Benny**  
*Chairman*

Hong Kong, 21 April 2005

*As at the date of this announcement, the Company has four executive Directors, being Mr. Kwong Kai Sing, Benny, Ms. Lo Ki Yan, Karen, Mr. Ong Peter and Ms. Poon Chi Wan, one non-executive Director, being Mr. Chung Yuk Lun and three independent non-executive Directors, being Mr. Chan Sze Hung, Mr. To Shing Chuen and Mr. Frank H. Miu.*

*\* For identification purposes only*

Please also refer to the published version of this announcement in International Herald Tribune.